Union Properties P.J.S.C and its subsidiaries

Unaudited interim condensed consolidated financial information

June 30,2026

Contents *Page(s)*

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Report on Review of Interim Condensed Consolidated Financial Information
To the Shareholders of Union Properties P.J.S.C

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Union Properties P.J.S.C (the "Company") and its subsidiaries (the "Group") as at June 30, 2026, the related interim condensed consolidated statement of profit or loss and other comprehensive income for the three-months and six-months period then ended, interim condensed consolidated statement of changes in equity, and interim condensed consolidated statement of cash flows for the six-month period then ended and a summary of material accounting policies and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on the interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of any significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

GRANT THORNTON UAE

S. Anand Prabhu

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Anand Prabhu
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Dubai, United Arab Emirates

July 23, 2026

Union Properties P.J.S.C and its subsidiaries

Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited)

For the six-month period ended June 30,2026

	Notes	Six-month period ended 2026 AED'000	2025 AED'000
Revenue from contracts with customers	*18*	529,305	315,666
Direct costs	*18*	(422,279)	(239,994)
Gross profit		107,026	75,672
Administrative and general expenses	*18*	(93,483)	(67,521)
Other operating income	*5.2*	11,439	18,885
Operating profit		24,982	27,036
Share of losses from associate, net		(4,738)	(5,629)
Other income	*5.1*	5,946	8,840
Finance income		4,794	562
Finance cost		(10,413)	(14,280)
Profit before tax for the period		20,571	16,529
Corporate tax for the period	*20*	(2,197)	(1,966)
Profit for the period		18,374	14,563
Other comprehensive income		-	-
Total comprehensive income for the period		18,374	14,563
Basic and diluted earnings per share (AED)	*13*	0.0043	0.0034

The notes from 1 to 23 form an integral part of these interim condensed consolidated financial information

Union Properties P.J.S.C and its subsidiaries

Interim condensed consolidated statement of profit or loss and other comprehensive income (unaudited)

For the three-month period ended June 30,2026

		Three-month period ended	
		2026	2025
	Notes	AED'000	AED'000
Revenue from contracts with customers	*18*	257,888	152,438
Direct costs	*18*	(209,248)	(119,533)
Gross profit		48,640	32,905
Administrative and general expenses	*18*	(44,265)	(32,661)
Other operating income	*18*	6,287	13,300
Operating profit		10,662	13,544
Share of losses from associate, net		(3,076)	(2,560)
Other income	*18*	2,962	5,651
Finance income		2,111	446
Finance cost		(5,177)	(7,376)
Profit before tax for the period		7,482	9,705
Corporate tax for the period		(906)	(956)
Profit for the period		6,576	8,749
Other comprehensive income		-	-
Total comprehensive income for the period		6,576	8,749
Basic and diluted earnings per share (AED)	*13*	0.0015	0.0020

The notes from 1 to 23 form an integral part of these interim condensed consolidated financial information

Union Properties P.J.S.C and its subsidiaries

Interim condensed consolidated statement of financial position

As at June 30,2026

	Notes	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
ASSETS			
Non-current assets			
Goodwill	6	66,836	66,836
Intangible assets	6	33,386	37,757
Property, plant and equipment	7	517,448	473,915
Right-of-use assets		13,752	15,699
Investment properties	8.1	2,182,732	2,004,670
Investment in an associate		2,145	6,883
Non-current receivables		9,405	8,069
Deferred tax asset		5,397	5,389
Total non-current assets		2,831,101	2,619,218
Current assets			
Investments at fair value through profit or loss		375	460
Inventories		7,538	6,178
Contract assets	16	80,581	28,509
Development properties	9	604,456	551,049
Trade and other receivables	10	626,082	1,100,084
Cash and cash equivalents	12	438,113	494,249
Total current assets		1,757,145	2,180,529
Total assets		4,588,246	4,799,747
EQUITY AND LIABILITIES			
Equity			
Share capital		2,857,926	2,857,926
Statutory reserve		56,266	56,266
Asset revaluation surplus		332,863	332,863
Retained earnings		296,008	406,191
Total equity		3,543,063	3,653,246
Non-current liabilities			
Non-current portion of bank loans	14	212,840	231,680
Lease liabilities		11,090	13,013
Provision for staff terminal benefits		57,650	52,680
Deferred tax liabilities		50,700	50,631
Total non-current liabilities		332,280	348,004
Current liabilities			
Trade and other payables	15	358,852	461,816
Contract liabilities	16	225,340	209,119
Lease liabilities		3,756	3,853
Bank overdrafts		26,883	27,539
Current tax liability		32,251	30,117
Current portion of bank loans	14	65,821	66,053
Total current liabilities		712,903	798,497
Total liabilities		1,045,183	1,146,501
Total equity and liabilities		4,588,246	4,799,747

The interim condensed consolidated financial information were authorised for issue on July 23, 2026 by the Board of Directors and signed on its behalf by:

Chairman

Board Member & CEO

The notes from 1 to 23 form an integral part of these interim condensed consolidated financial information.

Union Properties P.J.S.C and its subsidiaries

Interim condensed consolidated statement of cash flows (unaudited)

For the six-month period ended June 30,2026

	Notes	Six-month period ended 2026 AED'000	2025 AED'000
Operating activities			
Profit before tax for the period		20,571	16,529
Adjustments for:			
Depreciation of property, plant and equipment	7	11,894	7,473
Depreciation of right of use assets		1,827	1,103
Amortisation of intangibles	6	4,371	-
Finance costs		9,917	13,797
Exchange gain		(774)	-
Share of loss from associate, net		4,738	5,629
Finance income		(4,794)	(562)
Provision for expected credit loss		6,516	374
Interest on lease liabilities		496	483
Loss on financial instruments at FVTPL		85	-
Operating profit before working capital changes		54,847	44,826
Change in non-current receivables		(1,336)	24,793
Change in inventories		(1,360)	(2,888)
Change in contract assets		(52,072)	(8,716)
Change in contract liabilities		16,221	71,450
Change in trade and other receivables		28,620	155,139
Change in non-current payables		-	(61,000)
Change in trade and other payables		(101,911)	(29,321)
Change in staff terminal benefits (net)		4,970	1,762
Additions to development properties (net)	9	(53,407)	(13,386)
Net cash (used in)/generated from operating activities		(105,428)	182,659
Investing activities			
Additions to property, plant and equipment		(55,429)	(17,408)
Additions to investment properties	8	(178,062)	(219)
Proceeds from sale of investment properties		438,866	-
Interest income received		4,517	562
Changes in deposits with bank and escrow account		8,918	(43,549)
Net cash generated from/(used in) investing activities		218,810	(60,614)
Financing activities			
Proceed from bank loans	14	33,161	38,678
Repayment of bank loans	14	(52,233)	(247,164)
Finance costs excluding interest on lease liabilities		(9,916)	(13,798)
Dividend paid		(128,557)	-
Payment of lease liabilities		(2,399)	(1,409)
Net cash used in financing activities		(159,944)	(223,693)
Net decrease in cash and cash equivalents		(46,562)	(101,648)
Cash and cash equivalent at the beginning of the period		331,657	122,973
Cash and cash equivalent at the end of the period	12	285,095	21,325

The notes from 1 to 23 form an integral part of these interim condensed consolidated financial information.

Union Properties P.J.S.C and its subsidiaries

Interim condensed consolidated statement of changes in equity (unaudited)

For the six-month period ended June 30,2026

	Share capital AED'000	Statutory reserve AED'000	Asset revaluation surplus AED'000	Retained earnings AED'000	Total Equity AED'000
At January 1,2025(audited)	4,289,540	437,953	332,863	(1,869,567)	3,190,789
Total comprehensive income for the period	-	-	-	14,563	14,563
At June 30, 2025 (unaudited)	4,289,540	437,953	332,863	(1,855,004)	3,205,352
At January 1,2026(audited)	2,857,926	56,266	332,863	406,191	3,653,246
Total comprehensive income for the period	-	-	-	18,374	18,374
Dividend	-	-	-	(128,557)	(128,557)
At June 30, 2026 (unaudited)	2,857,926	56,266	332,863	296,008	3,543,063

During the Annual General Meeting held on April 07, 2026, the shareholders approved the distribution of a cash dividend of 3 fils per share, representing 4.5% of the Company's share capital, amounting to AED 128,606,656 In accordance with the approval of the Dubai Financial Market (DFM), the final dividend paid amounted to AED 128,557,473 after adjustment for the rounding of fractional share entitlements.

As disclosed in the annual financial statements, the Company's General Assembly approved a capital restructuring plan on April 22, 2025, authorizing the Board of Directors to undertake the necessary actions subject to obtaining the required regulatory approvals. Subsequently, on August 7, 2025, the Capital Markets Authority approved the reduction of the Company's issued share capital to 2,857,926,134 shares. During the six-month period ended June 30,2026, there were no further changes to the Company's share capital structure, and the approved share capital remains unchanged.

The notes from 1 to 23 form an integral part of these interim condensed consolidated financial information.

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Union Properties (P.J.S.C) ("the Company") was incorporated on October 28,1993 as a (P.J.S.C) by a United Arab Emirates Ministerial decree. The Group's registered office address is P.O. Box 24649, Dubai, United Arab Emirates ("UAE").

The principal activities of the Company are investment in and development of properties, the management and maintenance of owned properties including the operation of cold stores, the undertaking of property related services on behalf of other parties (including related parties) and acting as the holding Company of its subsidiaries and investing in other entities.

The Company and its subsidiaries are collectively referred to as ("the Group") as set out in note 2.5 in the Group annual consolidated financial statements for the year ended December 31, 2025. Effective January 1, 2026, the Group also includes the following newly incorporated subsidiary:

<table>
<tr><th>Subsidiaries</th><th>Incorporated In</th><th colspan="2">Effective ownership</th><th>Principal activities</th></tr>
<tr><td rowspan="2">Tetra Edge Industries L.L.C</td><td rowspan="2">United Arab Emirates</td><td>2026</td><td>2025</td><td rowspan="2">Eelectromechanical, Electrical power lines and building contracting</td></tr>
<tr><td>100%</td><td>0%</td></tr>
</table>

2 NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS

2.1 New and amended IFRS Accounting Standards that are effective for the current and future periods.

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after January 01, 2026, have been adopted in condensed consolidated interim financial information. Their adoption has not had any material impact on the disclosures or on the amounts reported in these condensed consolidated interim financial information:

New and revised IFRS Accounting Standard	Effective for annual periods beginning on or after
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding the classification and measurement of financial instruments.	1 January 2026
The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures regarding purchase power arrangements.	1 January 2026
The amendments aim at enabling entities to include information in their financial information that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.	
Annual improvements to IFRS Accounting Standards - Volume 11	1 January 2026

2 NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS (CONTINUED)

2.1 New and amended IFRS Accounting Standards that are effective for the current and future periods (continued)

New and revised IFRS Accounting Standard	Effective for annual periods beginning on or after

The pronouncement comprises the following amendments:

- IFRS 1 First-time Adoption of International Financial Reporting Standards: Hedge accounting by a first-time adopter
- IFRS 7 Financial Instruments - Disclosures: Gain or loss on derecognition
- IFRS 7 Financial Instruments - Disclosures: Disclosure of deferred difference between fair value and transaction price
- IFRS 7 Financial Instruments - Disclosures: Introduction and credit risk Disclosures.
- IFRS 9 Financial Instruments: Lessee derecognition of lease liabilities
- IFRS 9 Financial Instruments: Transaction price
- IFRS 10 Consolidated Financial information: Determination of a "de facto agent"
- IFRS 20 Regulatory assets and regulatory liabilities

IAS 7 Statement of Cash Flows: Cost method

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after January 1, 2026.

At the date of authorisation of these condensed consolidated interim financial information, the following new and revised IFRS Accounting Standards have been issued but are not yet effective or early adopted by the Group during the period:

IFRS 18 Presentation and Disclosures in Financial information	January 1, 2027

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial information to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1,2027

IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1,2027

The amendments cover new or amended IFRS Accounting Standards issued between February 28,2021 and May 1,2024 that were not considered when IFRS 19 was first issued.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Translation to a Hyperinflationary Presentation Currency.	January 1, 2027

The amendments clarify how companies should translate financial information from a nonhyperinflationary currency into a hyperinflationary one.

2 NEW STANDARDS, AMENDMENT TO STANDARDS AND INTERPRETATIONS (CONTINUED)

2.1 New and amended IFRS Accounting Standards that are effective for the current and future periods (continued)

New and revised IFRS Accounting Standard	Effective for annual periods beginning on or after
Amendments to IFRS 10 Consolidated Financial statements and IAS 28 Investments in Associates and Joint Ventures (2011)	Effective date deferred indefinitely Adoption is still permitted
The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.	

The Group anticipates that these new standards, interpretations and amendments will be adopted in the Group's condensed consolidated interim financial information as and when they are applicable and adoption of these new standards, interpretations and amendments may have no material impact on the condensed consolidated interim financial information of Group in the period of initial application.

3 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

The interim condensed consolidated financial information of the Group are prepared in accordance with International Accounting Standard 34: Interim Financial Reporting and applicable requirements of the United Arab Emirates laws.

The interim condensed consolidated financial information do not contain all information and disclosures required for full financial information prepared in accordance with IFRS Accounting standards and should be read in conjunction with the Group's annual consolidated financial information for the year ended December 31,2025. The same accounting policies, methods of computation, significant accounting judgments and estimates and assumptions are followed in these interim condensed consolidated financial information as compared with the most recent annual consolidated financial statements.

Income tax expense for the interim period is determined by applying management's best estimate of the weighted-average income tax rate for annual period, adjusted for certain items fully applicable to the interim period if needed, to profit or loss before tax.

The interim condensed consolidated financial information has been prepared in United Arab Emirates Dirhams (AED), which is the Company's functional and presentation currency, and all values are rounded to the nearest thousand except where otherwise indicated.

The interim condensed consolidated financial information has been prepared on a historical cost basis except for investments at fair value through profit and loss, investment properties, and land as included in property, plant and equipment that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The results for the six-month period ended June 30,2026 are not necessarily indicative of the results that may be expected for the financial year ending December 31,2026.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2025.

5 OTHER INCOME AND OTHER OPERATING INCOME

5.1 Other income

	Unaudited June 30,2026 AED'000	Unaudited June 30,2025 AED'000
Settlement amount from customers	-	6,189
Write back of liabilities/reversal of provisions	5,172	2,651
Foreign exchange gain (note a)	774	-
	5,946	8,840

a Foreign exchange gain

Foreign exchange gain represented gain on account of overdraft balances held in Egyptian pound.

5.2 Other operating income

	Unaudited June 30,2026 AED'000	Unaudited June 30,2025 AED'000
NOC Fee	1,543	9,913
Rental income	5,369	5,380
Administrative fee	562	825
Scrap sale	94	242
Utilities	228	274
Miscellaneous income	3,643	2,251
	11,439	18,885

6 GOODWILL AND INTANGIBLE ASSETS

On August 1, 2025, the Group acquired 100% of the equity interest in House Keeping Company LLC, House Keeping Domestic Workers LLC and Fair Hire Solutions LLC (collectively referred to as the "House Keeping Group") for a purchase consideration of AED 100.6 million. The purchase price allocation resulted in the recognition of goodwill of AED 66.8 million and identifiable intangible assets comprising trade name, customer relationships, customer contracts and software amounting to AED 41.5 million. Management performed an assessment as at June 30, 2026 and did not identify any indicators of impairment relating to the goodwill or acquired intangible assets. The movement in intangible assets during the period is presented below.

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Movement for the period/year		
Opening balance	37,757	-
Acquired during the year	-	41,451
Amortization during the period	(4,371)	(3,694)
At the end of the period/year	33,386	37,757

7 PROPERTY,PLANT AND EQUIPMENT

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Movement for the period/year		
Opening balance	473,915	455,791
Additions during the period/year	55,427	53,081
Acquired during the period/year	-	1,213
Depreciation during the period/year	(11,894)	(20,327)
Transfer to investment properties during the period/year	-	(15,843)
At the end of the period/year	517,448	473,915

8 INVESTMENT PROPERTIES

8.1 Movement in Investment properties

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Opening balance	2,004,670	2,220,143
Additions during the period/year	178,062	949
Transfer to development properties (note 9)	-	(275,060)
Transfer from property plant and equipment	-	15,843
Gain on fair valuation	-	275,487
Sale of investment properties	-	(232,692)
At the end of the period/year	2,182,732	2,004,670

The Group follows the fair value model under IAS 40 Investment property where investment property defined as land and buildings owned for the purpose of generating rental income or capital appreciation, or both, are fair valued based on an open market valuation. The most recent valuation was carried out on December 31, 2025, by an independent registered valuer, who carried out the valuation in accordance with RICS Appraisal and the Valuation Manual issued by the Royal Institute of Chartered Surveyors.

Based on management's assessment as at June 30, 2026, no material change in the fair value of the Group's investment properties was identified during the period.

Acquisition of investment properties

During the period ended June 30,2026, building amounting to AED 164.4 million was acquired inclusive of AED 9.4 million directly attributable cost of acquisition capitalised.

9 DEVELOPMENT PROPERTIES

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Movement for the period/year		
Opening balance	551,049	230,528
Cost incurred during the period/year	75,172	64,458
Transfer to cost of revenue during the period/year	(21,765)	(18,997)
Transfer from investment properties (note 8.1)	-	275,060
At the end of the period/year	604,456	551,049

The Group is developing real estate projects "Takaya and Mirdad" on Plot 674-2060 and 674-332 respectively at Motorcity, Dubai, United Arab Emirates. Properties under construction are carried at the lower of cost or net realizable value. Net realizable value represents the estimated selling price less all costs to completion.

Properties acquired, constructed or in the course of construction for sale in the ordinary course of business are classified as development properties and include the costs of:

- Freehold and leasehold rights for land.
- Amounts paid to contractors for construction including the cost of construction of infrastructure; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

The Group has assessed the impairment of the projects and concluded that the carrying value of the related development properties is appropriately stated.

10 TRADE AND OTHER RECEIVABLES

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Financial assets		
Trade receivables	309,516	309,472
Retention receivables	17,919	18,121
	327,435	327,593
Less: provision for expected credit losses (note 10.2)	(105,515)	(105,766)
	221,920	221,827
Property sales receivables	162,907	608,970
	384,827	830,797
Other receivables	158,674	167,137
Provision for expected credit losses	(16,000)	(10,000)
Total (A)	527,501	987,934
Non-financial assets		
Advances to contractors (note 10.1)	4,723	6,808
Prepayments and advances	47,183	67,671
Prepaid Commission	55,776	45,436
Total (B)	107,682	119,915
Total (A+B)	635,183	1,107,849
Less:non-current portion of rentention receivables	(9,101)	(7,765)
	626,082	1,100,084

As at June 30, 2026 the Group has extended a loan to its associate, Properties Investment LLC, amounting to AED 10.9 million (2025: AED 10.9 million) which is included in the other receivable balance.

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

10.1 Advances to contractors

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Advances to contractors	94,427	96,511
Less: provision against allowance for expected credit losses (note 10.2)	(89,704)	(89,703)
	4,723	6,808

Significant payments aggregating to AED 90.6 million were made, between May and October 2021 to a third-party vendor. Those payments were documented internally as related to various design and project management contracts, although the management identified that no or negligible service had been received, therefore the Group decided to classify it as advances to contractors.

10.2 Allowance for expected credit losses

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Provision against trade and retentions receivables (note 10)	105,515	105,766
Provision against advances to contractors (note 10.1)	89,704	89,703
	195,219	195,469

The Group's exposure to credit risk and impairment losses related to receivables are disclosed below:

Impairment losses

Set out below is the information about the credit risk exposure on the Group's trade and retention receivables using a provision matrix:

				Trade and other receivables				
					Past due			
	Advances to contractors	*Retentions receivable*	*Property sales receivable*	*Current*	*1-90 days*	*91-365 days*	*>365 days*	*Total*
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
June 30,2026								
Expected credit loss rate	95.00%	64.27%	0.00%	0.00%	0.04%	2.48%	81.10%	33.91%
Gross amount	94,427	8,818	162,907	73,144	41,588	73,955	120,829	575,668
Expected credit loss	89,704	5,667	-	-	18	1,836	97,994	195,219
December 31,2025								
Expected credit loss rate	92.95%	83.38%	0.00%	0.00%	0.20%	4.53%	76.47%	19.06%
Gross amount	96,511	10,356	608,970	94,533	50,696	39,714	124,529	1,025,309
Expected credit loss	89,703	8,635	-	-	100	1,801	95,230	195,469

The movement in the allowance for expected credit losses in respect of trade and retention receivables during the period/year is as follows:

10 TRADE AND OTHER RECEIVABLES (CONTINUED)

10.2 Allowance for expected credit losses (continued)

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Opening balance	195,469	204,479
Provision for the period/year	516	1,292
Amounts written off	(766)	(10,302)
At the end of the period/year	195,219	195,469

11 TRANSACTIONS WITH RELATED PARTIES

The Group, in the normal course of business, enters into transactions with other enterprises, which fall within the definition of a related party contained in IAS 24. Such transactions are on terms and conditions approved by the Group's management and are held at arm's length.

As at June 30, 2026, the Group had a total outstanding loan to its associate, Properties Investment LLC, amounting to AED 10.9 million (refer note 10) (December 31, 2025: AED 10.9 million). This balance comprises a loan of AED 3.4 million extended during 2023 and an additional loan of AED 7.5 million extended during the year ended December 31,2025, both bearing interest at a rate of 2.75% plus 3-month EIBOR.

The significant transactions with related parties, other than those already disclosed separately elsewhere in the interim condensed consolidated financial information are as follows:

	Unaudited June 30,2026 AED'000	Unaudited June 30,2025 AED'000
Interest on loan extended to associate	175	119
Compensation to key management personnel are as follows :		
- Salaries and other short-term employee benefits	7,397	4,370
- Provision towards staff terminal benefits	144	185

The Board of Directors remuneration amounting to AED 7 million for the year ended December 31, 2025 was approved by the Shareholders in the Annual General Meeting on April 7, 2026.

12 CASH AND CASH EQUIVALENTS

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Cash in hand	1,761	1,654
Cash at bank		
– in current accounts	75,117	132,442
– in escrow accounts	123,827	132,008
– in fixed deposits	235,100	225,100
– in deposit accounts held under lien	2,308	3,045
	438,113	494,249

Balance held in escrow account represents advance collections from customers that are held with banks authorised by the Real Estate Regulatory Authority ("RERA"), Dubai, United Arab Emirates. Use of cash held in escrow is restricted to the specific development properties to which the cash receipts relate and can be used for payments related to specific development projects and hence, considered as cash and cash equivalents.

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Cash and cash equivalent comprise:		
Bank balance and cash (excluding deposits under escrow accounts)	311,978	359,196
Bank overdrafts	(26,883)	(27,539)
	285,095	331,657

13 BASIC AND DILUTED EARNINGS PER SHARE

	Unaudited Six month period ended June 30		Unaudited Three month period ended June 30	
	2026 AED'000	2025 AED'000	**2026 AED'000**	2025 AED'000
Profit attributable to shareholders	18,374	14,563	6,576	8,749
Weighted average number of shares	4,289,540	4,289,540	4,289,540	4,289,540
Basic and diluted earnings per share	0.0043	0.0034	0.0015	0.0020

14 BANK LOANS

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Balance	278,661	297,733
Less: Current portion	(65,821)	(66,053)
Non-current portion	212,840	231,680

The bank loans carry interest at commercial rates. The movement in bank loans during the period/year was as follows:

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Opening balance	297,733	575,032
Availed during the period/year	33,161	90,000
Repayments during the period/year	(52,233)	(367,299)
At the end of the period/year	278,661	297,733

The bank loans carry interest at commercial rates

Securities

The above-mentioned bank loans are secured by one or more of the following:

a. Registered mortgage of lands and investment properties of AED 905.0 million as on June 30,2026 *(2025: AED 1,998.0 million).*
b. Assignment of insurance policies of the mortgaged properties.
c. Assignment of lease proceeds of certain rental units.
d. Corporate guarantees of the Group and certain subsidiaries; and

15 TRADE AND OTHER PAYABLES

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Financial liabilities :		
Trade payables	82,557	165,872
Retention payables	8,433	6,036
Accruals and deposits payables	95,397	147,905
Other payables and accruals (note 15.1)	50,439	44,233
Total	236,826	364,046
Non financial liabilities:		
Advances received from customers	31,833	31,016
VAT Payables and other accruals	90,193	66,754
	122,026	97,770
Total	358,852	461,816

15 TRADE AND OTHER PAYABLES (CONTINUED)

15.1 Other payables and accruals

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Other payables and accruals includes:		
Provision for staff related payables	41,607	32,638
Provisions and accruals against contracting business	29	3,198
Provisions and accruals for payment to contractors cost	8,803	8,397
	50,439	44,233

16 CONTRACT ASSET AND LIABILITIES

Contract Assets

Contract assets amounting to AED 80.6 million primarily represent unbilled revenue recognized on projects where the Group has satisfied its performance obligations but has not yet attained the contractual billing milestones as at June 30, 2026.

Contract Liabilities

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Deferred income from sale of properties	219,097	199,815
Deferred income from others	6,243	9,304
	225,340	209,119

Deferred income from sale of properties comprises of an unsatisfied performance obligation related to the ongoing projects under development. The Group estimates to recognise these unsatisfied performance obligations as revenue over a period of up to 3-5 years.

17 FINANCIAL INSTRUMENTS

Financial assets of the Group include non-current receivables, investments at fair value through profit or loss, trade and other receivables and cash at banks. Financial liabilities of the Group include trade and other payables, lease liabilities, short-term bank borrowings and long-term bank loans. The table below sets out the Group's classification of each class of financial assets and financial liabilities and their fair values for the current and the comparative periods:

	At fair value through profit or loss AED'000	At amortised cost AED'000	Total amount AED'000
June 30,2026 (unaudited)			
Financial assets			
Non-current receivables	-	9,405	9,405
Investments at fair value through profit or loss	375	-	375
Trade and other receivables (note 10)	-	527,501	527,501
Cash and cash equivalents (note 12)	-	438,113	438,113
Total	375	975,019	975,394
Financial liabilities			
Trade and other payables	-	236,826	236,826
Lease liabilities	-	14,846	14,846
Bank overdrafts	-	26,883	26,883
Bank loans	-	278,661	278,661
Total	-	557,216	557,216

	At fair value through profit or loss AED'000	At amortised cost AED'000	Total amount AED'000
December 31,2025 (audited)			
Financial assets			
Non-current receivables	-	8,069	8,069
Investments at fair value through profit or loss	460	-	460
Trade and other receivables (note 10)	-	987,934	987,934
Cash and cash equivalents (note 12)	-	494,249	494,249
Total	460	1,490,252	1,490,712
Financial liabilities			
Trade and other payables	-	364,046	364,046
Lease liabilities	-	16,866	16,866
Bank overdrafts	-	27,539	27,539
Bank loans	-	297,733	297,733
Total	-	706,184	706,184

17 FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- **Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group holds investments at fair value through profit or loss.

There have been no reclassifications made during the current period or in the previous year/period.

	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000	Total AED'000
June 30,2026 (unaudited)				
Investments at fair value through profit or loss	-	-	375	375
December 31,2025 (audited)				
Investments at fair value through profit or loss	-	-	460	460

18 SEGMENT REPORTING

Business segments

The Group's activities include four main business segments, namely, real estate and others, contracting, sales of goods and services and investments. The details of segment revenue, segment result, segment assets and segment liabilities are as follows:

	Real estate and others	Contracting	Goods and services	Investments	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Six-month period ended June 30,2026 (unaudited)					
Segment revenue	144,172	28,189	356,944	-	529,305
Direct cost	(90,982)	(28,939)	(302,358)	-	(422,279)
Gross profit/(loss)	53,190	(750)	54,586	-	107,026
Administrative and general expenses	(63,823)	(1,097)	(28,563)	-	(93,483)
Other operating income	4,909	1	6,529	-	11,439
Operating profit/(loss)	(5,724)	(1,846)	32,552	-	24,982
Share of losses from an associate, net	0	-	-	(4,738)	(4,738)
Other income	4,775	321	76	774	5,946
Finance income	4,705	-	89	-	4,794
Finance cost	(2,862)	-	(7,551)	-	(10,413)
Corporate tax expense	(960)	-	(1,167)	(70)	(2,197)
(Loss)/profit for the period	(66)	(1,525)	23,999	(4,034)	18,374
Capital expenditure	38,083	86	17,259	-	55,428
Depreciation of property, plant and equipment	5,436	197	6,261	-	11,894
Depreciation of right of use assets	612	-	1,215	-	1,827
As at June 30, 2026 (unaudited)					
Segment assets	3,583,234	51,930	950,126	811	4,586,101
Investment in an associate	-	-	-	2,145	2,145
Total assets	3,583,234	51,930	950,126	2,956	4,588,246
Segment liabilities	557,045	41,047	418,745	28,346	1,045,183
Six-month period ended June 30,2025 (unaudited)					
Segment revenue	37,409	29,668	248,589	-	315,666
Direct cost	(9,476)	(26,391)	(204,127)	-	(239,994)
Gross profit	27,933	3,277	44,462	-	75,672
Administrative and general expenses	(45,651)	(2,299)	(19,089)	(482)	(67,521)
Other operating income	12,154	26	6,705	-	18,885
Operating profit/(loss) for the period	(5,564)	1,004	32,078	(482)	27,036
Share of loss from associates	-	-	-	(5,629)	(5,629)
Other income	8,840	-	-	-	8,840
Finance income	144	-	418	-	562
Finance cost	(8,883)	-	(5,397)	-	(14,280)
Corporate tax	(560)	(41)	(1,407)	42	(1,966)
(Loss)/profit for the period	(6,023)	963	25,692	(6,069)	14,563
Capital expenditure	7,182	605	9,621	-	17,408
Depreciation of property, plant and equipment	2,368	119	4,986	-	7,473
Depreciation of right of use assets	619	-	484	-	1,103
As at December 31,2025 (audited)					
Segment assets	3,760,034	51,455	980,564	811	4,792,864
Investment in an associate	-	-	-	6,883	6,883
Total assets	3,760,034	51,455	980,564	7,694	4,799,747
Segment liabilities	595,248	37,968	484,235	29,050	1,146,501

18 SEGMENT REPORTING (CONTINUED)

Business segments (Continued)

	Real estate and others	Contracting	Goods and services	Investments	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Three-month period ended June 30,2026 (unaudited)					
Segment revenue	76,603	12,804	168,481	-	257,888
Direct cost	(46,787)	(14,684)	(147,777)	-	(209,248)
Gross profit	29,816	(1,880)	20,704	-	48,640
Administrative and general expenses	(29,452)	(617)	(14,196)	-	(44,265)
Other operating income	3,114	-	3,173	-	6,287
Operating profit/(loss) for the period	3,478	(2,497)	9,681	-	10,662
Share of losses from an associate, net	-	-	-	(3,076)	(3,076)
Other income	4,775	321	76	(2,210)	2,962
Finance income	2,022	-	89	-	2,111
Finance cost	(1,446)	-	(3,731)	-	(5,177)
Corporate tax expense	(595)	12	(522)	199	(906)
Profit/(loss) for the period	8,234	(2,164)	5,593	(5,087)	6,576
Capital expenditure	25,599	86	12,403	-	38,088
Depreciation of property, plant and equipment	2,879	96	3,199	-	6,174
Depreciation of right of use assets	307	-	610	-	917
Three-month period ended 30 June 2025 (unaudited)					
Segment revenue	19,170	16,310	116,958	-	152,438
Direct cost	(4,879)	(15,115)	(99,539)	-	(119,533)
Gross profit	14,291	1,195	17,419	-	32,905
Administrative and general expenses	(22,688)	(1,066)	(8,507)	(400)	(32,661)
Other operating income	9,913	2	3,385	-	13,300
Operating profit/(loss) for the period	1,516	131	12,297	(400)	13,544
Share of loss from associates	-	-	-	(2,560)	(2,560)
Other income	5,651	-	-	-	5,651
Finance income	75	-	371	-	446
Finance cost	(4,542)	-	(2,834)	-	(7,376)
Corporate tax	(375)	(22)	(601)	42	(956)
Profit/(loss) for the period	2,325	109	9,233	(2,918)	8,749
Capital expenditure	6,446	580	5,612	-	12,638
Depreciation of property, plant and equipment	1,055	60	2,549	-	3,664
Depreciation of right of use assets	309	-	249	-	558

19 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

	Unaudited June 30,2026 AED'000	Audited December 31,2025 AED'000
Company and its subsidiaries		
Commitments:		
Capital commitments	31,534	146,234
Contingent liabilities:		
Letters of guarantee	381,015	392,890

20 CORPORATE TAX

The Group has adopted realization basis of taxation for the purpose of determining the taxable profit. The applicable tax rate as per the Corporate Tax Law is 9%. Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate is as follows:

	Unaudited June 30,2026 AED'000	Unaudited June 30,2025 AED'000
For the six month period ended		
Current corporate tax:		
Current corporate tax charge	2,135	2,052
Deferred tax		
Relating to origination and reversal of temporary differences	62	(86)
Corporate tax expense reported in the consolidated statement of profit or loss	2,197	1,966
Relating to origination and reversal of temporary differences through other comprehensive income	-	-
Corporate tax expense reported in the consolidated statement of profit or loss and other comprehensive income	2,197	1,966

Reconciliation of effective tax rate:

Accounting profit before corporate tax	20,571	16,529
Adjustments in respect of Taxable Income subject to 0% (1)	(1,125)	(375)
Unrealized (gain)/losses (4)	(687)	482
Effect of the disallowed interest cost portion	-	(556)
Share of loss from associate, net	4,738	5,639
Non-deductible expenses for tax purposes (2)	221	129
Taxable profit	23,718	21,848
At the corporate tax rate of 9%	2,135	1,966

(1) As per UAE Corporate Tax Law, the portion of taxable income of a taxable person not exceeding AED 375,000 is subject to Corporate Tax at a rate of 0%. Accordingly, as there are three taxable persons included in the consolidated financial information, the basic exemption has been applied on a per-taxable-person basis in determining the Group's current tax charge.

(2) Identified non-deductible cost

(3) Effective tax rate is 10.4% on the Taxable profits after offsetting losses in related entities.

(4) During the period, the Group has recorded a deferred tax liability arising on account of unrealized foreign exchange gain of AED 0.77million and unrealized losses of AED 0.08 million.

21 COMPARATIVES

Reclassifications

Certain comparative figures have been reclassified or regrouped, wherever necessary, to conform to the presentation adopted in these interim condensed consolidated financial information.

Such reclassifications do not affect the previously reported profit, net assets, or equity of the Group.

22 SIGNIFICANT EVENTS DURING THE PERIOD

During the period ended June 30, 2026, ongoing geopolitical tensions in parts of the Middle East have created uncertainty in the regional economic environment, including the UAE. These developments have had indirect impacts on business sentiment, project execution timelines, and market liquidity.

The Group continues to monitor the situation closely and has activated its existing risk management and business continuity frameworks to address any potential operational or financial disruptions.

Management has performed an assessment of the potential impact on key business segments, particularly the real estate sector, including customer collections, project progress, and contractor performance. This also included consideration of macroeconomic factors such as market demand, cost fluctuations, and liquidity conditions.

However, a significant portion of the Group's revenue is derived from service-oriented business units, including facilities management, maid services, and fit-out operations, which have not experienced any material adverse impact. In fact, the fit-out segment has seen increased activity during the period, driven by renovation works across the hospitality sector.

Based on this overall assessment, management has applied a prudent overlay in its Expected Credit Loss (ECL) assessment to reflect emerging risks that may not yet be fully captured in the underlying models.

The Group will continue to evaluate the situation and take appropriate measures to safeguard its operations and financial position.

23 SUBSEQUENT EVENTS

No adjusting or significant non-adjusting events have occurred between the June 30, 2026 and the date of authorisation of these financial information.